

PERAC

COMMONWEALTH OF MASSACHUSETTS | PUBLIC EMPLOYEE RETIREMENT ADMINISTRATION COMMISSION

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MEMORANDUM

TO: Greater Lawrence Sanitary District Retirement Board

FROM: John W. Parsons, Esq., Executive Director

RE: Approval of Funding Schedule

DATE: November 1, 2021

This Commission is hereby furnishing you with approval of the revised funding schedule you recently adopted (copy enclosed). The schedule assumes payments are made on January 1 of each fiscal year. The schedule is effective in FY22 (since the amount under the prior schedule was maintained in FY22) and is acceptable under Chapter 32.

The revised schedule reflects a reduction in the investment return assumption from 6.75% to 6.50% and a slight adjustment to the fully generational mortality assumption.

If you have any questions, please contact PERAC's Actuary, John Boorack, at (617) 666-4446, extension 935.

JWP/jfb

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Enc.



Alternative 1
6.50% Investment Return
9.733% total increasing until FY26 w/ final amort. in FY27

GLSD Retirement System
January 1, 2021 Actuarial Valuation

Total appropriation increases 9.733% each year until FY26 with a final amortization payment in FY27

Fiscal Year	Normal Cost	Net 3(8)(c)	Amort. of UAL	Total Cost	Unfunded Act. Liab.	% Total Cost Increases
2022	319,360	30,000	80,451	429,811	709,554	
2023	333,732	30,000	107,913	471,645	672,609	9.733%
2024	348,750	30,000	138,800	517,550	604,909	9.733%
2025	364,443	30,000	173,479	567,923	500,917	9.733%
2026	380,843	30,000	212,355	623,199	354,359	9.733%
2027	397,981	30,000	163,113	591,095	158,136	-5.152%
2028	415,890	30,000		445,890	0	-24.565%

Appropriation payments assumed to be made January 1 of each fiscal year.

Normal cost includes expenses of \$160,000 and is assumed to increase 4.5% per year.

FY22 amount maintained at level of current funding schedule.